Remarks

Applicant wishes to thank the Examiner for the courtesy of a personal interview on

January 12, 2004. During that interview, the subject matter of all claims 8 – 33 was discussed.

No prior art was mentioned. Applicant's representative mentioned some of the technical features

in the pending claims as is discussed more completely below. The Examiner generally alluded to

the concept of amending the independent claims but he could not provide any proposed language

which he felt would satisfy him.

Claims 8-33 are rejected under 35 U.S.C. §101.

In rejecting claims 8-33, the Examiner states:

> The basis of this rejection is set forth in a two prong test of:
> (1) whether the invention is within the technological arts; and
> (2) whether the invention produces a useful, concrete and tangible result.

Office Action, page 2.

The Examiner agrees that the invention as claimed in independent claims 8, 13, 15 and 31

produces a useful, concrete and tangible result and focuses on element (1) referenced above

relating to technological arts. See, Office Action pages 2-3. However, despite repeated requests

during the above mentioned interview, the Examiner has not been able to point to any legal

authority indicating that an invention must be within the "technological arts" for it to fall within

the scope of 35 U.S.C. §101. To the contrary, as discussed below, the Federal Circuit has clearly

ruled that the only relevant test here is simply whether the invention produces a useful, concrete

and tangible result.

Any process, whether electronic, chemical, or mechanical in nature, necessarily involves

an algorithm in the broad sense of the term. AT&T Corp. v. Excel Communications Inc., 50

U.S.P.Q. 2d 1447, 1450 (Fed. Cir. 1999), citing, State Street Bank & Trust Co. v. Signature

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Financial Group, 47 U.S.P.Q.2d 1596, 1602 (Fed. Cir. 1998). The proscription against patenting a "mathematical algorithm", to the extent that it still exists, is narrowly limited to claims directed toward mathematical algorithms in the abstract. Id. A process that applies an equation to a new and useful end is not barred by 35 U.S.C. §101. AT&T, 50 U.S.P.Q. 2d at 1451, citing, Diamond v. Diehr, 450 U.S. 175, 188 (1981). An unpatentable mathematical algorithm can be identified in that it is merely an abstract idea constituting a disembodied concept and thus not useful. AT&T, 50 U.S.P.Q. 2d at 1451 citing, State Street Bank, 47 U.S.P.Q. 2d at 1601. Thus, a claimed process satisfies the requirement of 35 U.S.C. §101 if it produces a useful, concrete and tangible result. Id. (emphasis added).

Process claims need not recite specific technology to satisfy the requirements of 35 U.S.C. §101 – as is suggested in the Office Action. State Street Bank, 47 U.S.P.Q.2d at 1601. Such a structural or technical limitation requirement probably stems from the now defunct Freeman-Walter-Able test. Id. at 1453. This test, in light of recent court rulings, has little or no applicability. Id.

For example, in AT&T, the relevant patent (U.S. Patent No. 5,333,184) dealt with facilitating billing techniques for long distance carriers. The patent disclosed adding a PIC (primary interexchange carrier) indicator into a data field of a standard message record. Id. at 1448. A subscriber could be billed differently depending upon whether the subscriber called someone with the same or different long-distance carrier based on the PIC indicator. Id. at 1448-1449. The claim in question recited, in part,

> *generating a message record for an interexchange call* between an originating subscriber and a terminating subscriber, and *including, in said message record, a primary interexchange carrier (PIC) indicator* having a value which is *a function of whether or not the interexchange carrier associated with said terminating subscriber is a predetermined one* of said interexchange carriers.

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AT&T, 50 U.S.P.Q.2d at 1149 (emphasis in original). The AT&T court stated that although the determination of the PIC indicator value was derived using a simple Boolean mathematical formula (i.e. p and q), the claim did not attempt to protect this Boolean principle nor attempt to forestall its use in other applications. Id. at 1452. As the PIC indicator represented information about a call recipient's PIC, it was a useful non-abstract result of the claimed process. Id. Thus, since the claim produced a useful, concrete and tangible result and did not preempt a mathematical principle, the claim presented statutory subject matter. Id.

Therefore, the applicable test for whether a claim recites statutory subject matter is simply whether the claim produces a useful, concrete and tangible result. As stated above, the Examiner agrees that the invention in independent claims 8, 13, 15 and 31 passes this test and therefore it is asserted that independent claims 8, 13, 15 and 31 and dependent claims 9-12, 14, 16-30 and 32-33 include statutory subject matter pursuant to 35 U.S.C. §101.

Further, even if the applicable test did include some type of "technological arts" requirement, as suggested in the Office Action, Applicant asserts that independent claims 8, 13, 15 and 31 already pass such a test. Claim 8 includes, for example, "a multimedia file", "disabling selected features of said multimedia file", "receiving a request from a user or user's system, said request identifying an operating context", "transmitting an authorization to said user or user's system to enable said one or more disabled features", etc.

Similarly, claim 13 includes, for example, "a data object", "compressing or encrypting portions of said data object", "offering to decompress of decrypt one or more portions of said data object", "receiving a request from a user or user's system, said request identifying an operating context", "transmitting an authorization to said user or user's system to decompress or decrypt", etc.

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Claim 15 includes, for example, "limiting access to selected data features of copyable encoded information accessed by a user on a user's system", "locking said selected data feature", ", "transforming said key", "transmitting said authorization", "reverse transforming said authorization", "said authorization can only be used to access the selected data feature in the presence of said operating context identifier", etc..

Claim 31 includes, for example, "encoded information stored on a server", "permitting only uniquely identified workstations to unlock said selected data features", "receiving an unlock request having a unique workstation-identifier and a feature identifier from the workstation", "transforming said key", "transmitting said authorization", "reverse transforming said authorization", etc.

A cursory review of the elements referenced above, among others, clearly indicates that independent claims 8, 13, 15 and 31 relate to the "technological arts". The Examiner states that the claims do not pass his "technological arts" requirement because "[t]he recited steps do not apply, involve, use or advance the technological arts since all the steps can be performed in the mind of the user or by use of pencil and paper and no specific technology (e.g. computer, processor) is expressly recited in the body of claims. *In Re Toma* (CCPA 197 USPQ 852 (1978))." Office Action, pages 2-3. The elements referenced above clearly contradict this assertion. For example, claim 31 clearly recites both a server and a workstation. Other claims use similarly technical language.

Moreover, the Examiner's reliance on In re Toma, is misguided. The Examiner references a section in Toma where the Court discusses the rejection cited by the Examiner in that case and not the applicable law in 1978:

> The examiner cited *In re Musgrave, 57 CCPA 1352, 431 F.2d 882,*
> *167 U.S.P.Q. 280 (1970); In re Benson, 58 CCPA 1134, 441 F.2d*

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682, 169 U.S.P.Q. 548 (1971), rev'd sub nom. *Gottschalk v. Benson, 409 U.S. 63, 175 U.S.P.Q. 673 (1972); In re McIlroy, 58 CCPA 1249, 442 F.2d 1397, 170 U.S.P.Q. 31 (1971),* for the proposition that all statutory subject matter must be in the "technological" or "useful" arts, and that, as far as computer-related inventions are concerned, only those inventions which "enhance the internal operation of the digital computer" are in the "technological" or "useful" arts.

In re Toma, 197 U.S.P.Q. 852, 877. However, the court did not adopt that view and indeed rejected the Examiner's faulty interpretation of the law. Moreover, it indicated that the legal authority cited by the Examiner in Toma related to the interpretation of a "mental steps" rejection - not "technological arts". Toma, 197 U.S.P.Q. at 878. The "mental steps" test is also no longer the applicable test today.
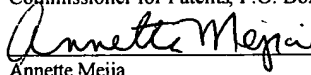
Dependent claims 9-12, 14, 16-30 and 32-33 include the above recitations of independent claims 8, 13, 15 and 31 respectively, and include additional recitations which, when combined with the recitations of independent claims 8, 13, 15 and 31 also recite statutory subject matter under 35 U.S.C. §101.

Reconsideration of the rejection of claims 8-33 under 35 U.S.C. §101 is respectfully

requested in light of the remarks above.

Respectfully submitted,

Dated: February 8, 2005

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